

BEFORE THE ARKANSAS SECURITIES COMMISSIONER

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CASE NO. C-09-038

ARKANSAS SECURITIES DEPT.

IN THE MATTER OF:

ORDER NO. C-09-038-09-SO01

RESIDENTIAL LOAN
CENTERS OF AMERICA,
INC., LICENSE NO. 15843

RESPONDENT

**ORDER SUMMARILY SUSPENDING
LICENSE OF RESIDENTIAL LOAN CENTERS OF AMERICA, INC.**

On July 7, 2009, the Staff of the Arkansas Securities Department ("Staff") submitted its Request for Revocation of License and for Temporary Suspension of License Pending Hearing ("Request"). The Request alleges that Residential Loan Centers of America, Inc., ("RLC of America") has failed to maintain a surety bond as required by the Fair Mortgage Lending Act ("Act"), Ark. Code Ann. §§ 23-39-501 through 23-39-518. The Arkansas Securities Commissioner ("Commissioner") has reviewed the Request and in reliance upon the facts alleged therein, finds:

FINDINGS OF FACT

1. The Staff's Request asserts the following representations of fact:
 - a. RLC of America is a corporation organized and existing under the laws of Illinois, with its principal place of business located at 2700 South River Road, Suite 400, Des Plaines, Illinois 60018. RLC of America has been licensed with the Arkansas Securities Department ("Department") since June 28, 2004, as a mortgage broker and a mortgage banker. RLC of America's license is scheduled to expire on December 31, 2009.

- b. On or about February 25, 2009, the Department received a notice of cancellation from Hartford Fire Insurance Company on surety bond number 83BSBCV6248. Department records reflect this surety bond was held by RLC of America.
- c. The Staff notified RLC of America that the surety bond would be cancelled, and that the surety bond must be replaced or reinstated prior to the cancellation.
- d. RLC of America has neither provided a replacement surety bond, nor reinstated the cancelled surety bond; therefore, RLC of America is operating as a mortgage broker and mortgage banker without a surety bond and is in violation of the Act.

2. The Request initiated a proceeding to revoke RLC of America's license as a mortgage broker and a mortgage banker within the meaning of Ark. Code Ann. §23-39-514(c)(1).

CONCLUSIONS OF LAW

3. The Act requires all persons acting as a mortgage broker and a mortgage banker licensee to maintain a surety bond with the Department. Ark. Code Ann. § 23-39-505(f)(1). RLC of America has violated Ark. Code Ann. § 23-39-505(f)(1) by failing to properly maintain a surety bond.

4. The Commissioner may by order deny, suspend, revoke, or refuse to issue or renew a license of a licensee if the Commissioner finds that the order is in the public interest, and the licensee or applicant does not meet the qualifications of any bond requirements. Ark. Code Ann. §§ 23-39-514(a)(1) and (a)(2)(H). RLC of America does

not meet the bond requirements of the Act; therefore, it is in the public's interest to suspend the license of RLC of America.

5. Pending the final determination of the proceeding initiated by the Request, the Commissioner has the authority to summarily suspend the license of a licensee. Ark. Code Ann. § 23-39-514(c)(1). Based upon the Findings of Fact and the Conclusions of Law, it is in the public interest to suspend the license of RLC of America pending a final determination alleged in the Request, and therefore, this Order is appropriate according to Ark. Code Ann. § 23-39-514(c)(1).

ORDER

The mortgage broker and mortgage banker license of RLC of America, License No. 15843, is hereby summarily suspended along with all rights and privileges associated therewith. RLC of America is henceforth ordered to cease and desist from all mortgage loan brokering and mortgage loan banking activities in Arkansas. This Order shall remain in full force and effect pending a hearing on the Staff's request to revoke the subject license scheduled for **August 17, 2009, at 9:00 a.m., central time**. Should RLC of America desire an expedited hearing on this Order, a written request should be made to the Commissioner within thirty (30) days of the date that this Order is mailed to the Respondent. Ark. Code Ann. § 23-39-514(c)(3).

IT IS SO ORDERED.



A. Heath Abshire
Arkansas Securities Commissioner

July 14, 2009
Date

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